



Lobbies

GOVERNMENT OPERATIONS DRAFTS NEW LOBBY BILL

A compromise lobby registration bill has been drafted by the Senate Government Operations Committee and will be introduced by Sen. Abraham Ribicoff (D Conn.), the committee's chairman. The measure, intended as a replacement for the 1946 Federal Regulation of Lobbying Act, is the product of four months of deliberation among members of the committee who have been pressing for changes in the lobby laws. (*Background, Weekly Report pp. 2065, 1137.*)

The new bill defines lobbying in terms of "lobbying communications"—direct contacts with members of Congress, congressional staff, and certain contacts with the executive branch—and also "lobbying solicitations"—urging others to contact Congress or the executive branch. This so-called "grassroots" or "indirect" lobbying has not clearly been covered by the existing lobby registration law.

In general, individuals would not be required to register as lobbyists. An individual who is paid to make one or more lobbying communications or to solicit 500 persons in any three-month period would have to register. However, full-time employees would be exempt from this requirement although they would be listed on their employer's report.



Sen. Abraham Ribicoff

Most corporate, labor or other interest group lobbyists therefore would not be required to register individually. Professional lobbyists working as lawyers, public relations men or consultants would have to register individually only if they were retained personally, rather than through a firm.

Organizational Registration

An organization would be required to register if it is paid by someone else to lobby and meets the same one contact or solicitation of 500 persons criteria as an individual lobbyist. An organization (which is defined to include businesses, unions and voluntary organizations) also becomes a lobbyist if it:

- Makes 12 oral communications with Congress in a quarter, except that contacts between a local organization or business and its own senators and representatives are not counted in determining whether an organization is a lobbyist;
- Spends \$200 or more in a quarter to urge 500 or more persons to contact Congress or the executive branch;
- Solicits 50 or more of its own employees or 12 or more affiliated organizations to communicate with Congress or the executive branch.

Executive Branch Lobbying

The Ribicoff bill does not cover direct contacts with the executive branch, except when a lobbyist attempts to win

executive branch support for the lobbyist's position on legislative issue.

Several forms of communications and solicitations are specifically excluded from the bill's coverage:

- A communication or solicitation by an individual acting solely on his own behalf for redress of personal grievances or to express his own views;
- Questions about the existence, status, or effect of an issue before Congress;
- Testimony given or submitted to a congressional committee;
- Communications or solicitations made in an official capacity by an officer or employee of the executive branch, state, or local government, or by a political candidate or party;
- Newspapers, magazines, books and broadcasts distributed to the general public.

Registration and Reporting

Lobbyists would be required to register with the General Accounting Office annually and to file quarterly reports. The reports must disclose the party on whose behalf the lobbyist is lobbying, the financial arrangements, the issues on which lobbying was done and, with some exceptions, how much money was spent on each issue.

A lobbyist must disclose the identity of every organization which financially supported his lobbying activities and any individual which provided more than 5 per cent of the lobbyist's budget. Voluntary organizations would have to disclose the approximate size of their budgets and how their lobbying decisions are made.

The bill would authorize civil penalties of not more than \$10,000 for each violation of the law, and criminal prosecution for knowing and willful violation of the law. Prosecution would rest with the Justice Department and the GAO is specifically authorized to scrutinize reports and refer violators to the department.

A non-profit organization may not be denied that tax status solely because it registered as a lobbyist.

Reaction

Some, but not all, Senate sponsors of previous bills appear to be inclined to support the compromise proposal. While it is not as strong as some earlier proposals, it is regarded as an improvement over the 1946 law.

The principal objections from proponents of stronger bills is the new measure's failure to more fully cover lobbying of the executive branch, to require disclosure of the congressional offices which were lobbied or to require more detailed financial breakdowns. At the same time, the measure would go further than some groups wish, particularly the provisions governing indirect lobbying and voluntary organizations. The Government Operations Committee plans to schedule hearings on the bill shortly.

—By Al Gordon

Examples of New Lobby Bill's Effects

The following list of examples was prepared by the Senate Government Operations Committee to illustrate the effect of the new lobby registration bill introduced by Committee Chairman Abraham Ribicoff (D Conn.):

1. An individual citizen, concerned about the safety of children's toys, journeys to Washington and talks on her own behalf to staff assistants in the offices of 80 different congressmen or senators, including 20 from her own state. The citizen *is not* a lobbyist because she is simply expressing on her own behalf her personal concern about a matter.

2. An individual who is personally concerned about an environmental issue buys with his own funds an advertisement in the newspaper urging the public to write Congress in support of a particular environmental bill. The individual *is not* a lobbyist since he is using his own money to express his own personal view on an issue before Congress.

3. An individual lawyer is retained by a company to obtain an amendment to a tax bill pending in committee. In connection with the services provided his client, the lawyer drafts proposed wording, and discusses the wording with the staff of the appropriate committee. The lawyer *is* a lobbyist.

4. Employees of a national company call congressional committees on 20 occasions during a quarterly filing period in order to determine whether the committee has scheduled hearings on certain bills, and whether the committee has reported certain other bills out of committee. In addition, the company president testifies before the committee on a particular bill. The company engages in no other communications with Congress. The company *is not* a lobbyist since the bill excludes from its coverage the specific types of communications in which the company engaged.

5. The president of an organization who is concerned about the possible effect of a pending bill on his business travels to Washington and speaks about the bill on behalf of the organization to his two senators and the congressman representing the district in which his business is located. He talks a total of 15 times to his representatives or their staff assistants. Since the businessman only speaks to his own senators and congressmen he *is not* a lobbyist.

6. Three separate individuals employed by an organization call congressional staff aides a total of 40 times during a quarterly filing period in an attempt to secure passage of amendments to 3 different bills. On a fourth issue the company instructs 15 plant managers to write their own congressmen on the issue, but it makes no other effort to influence Congress. While none of the individuals would be a lobbyist, the organization *is* a lobbyist since together its three employees orally engaged in over 12 lobbying communications. The 15 letters sent by the plant managers do not count in determining whether the company is a lobbyist, but since the com-

pany is a lobbyist for other reasons, it would also have to report its interest in this fourth issue.

7. A company with a special problem urges various executive branch officials on 10 different occasions to support legislation to resolve the problem. The company also talks on 10 different occasions during the same three-month period with members of the appropriate congressional committees or their staff. Since the communications with the executive branch were on legislation pending in Congress, they are lobbying communications for purposes of determining whether the company is a lobbyist. Since the total of all oral lobbying communications exceed in this case 12, the company *is* a lobbyist even if it did not communicate with Congress on any other matter during the three-month period.

8. A national trade association seeking to gain passage of a bill before Congress sends a letter out to 5,000 of the leading businessmen in the country urging them to write, or to talk personally, with their congressmen in support of the proposal. The cost of writing, printing, and mailing the letters was \$2,000. Since this solicitation reached more than 500 persons and cost over \$200 to prepare and send, the organization *is* a lobbyist.

9. A local historic preservation society worried about the possible destruction of an old federal courthouse spends \$100 to prepare and distribute a flyer on the street to about 700 people urging them to write the chairman of the appropriate committee urging action to save the courthouse. Since the flyer cost less than \$200 to prepare and distribute, the local historic preservation society *is not* a lobbyist.

10. A national trade association directly communicates with Congress only when it wants to know the status of certain bills, but on four occasions it writes letters to the 50 companies that are members of the trade association and urges them on each occasion to write their own congressmen in opposition to a particular bill pending before Congress. This solicitation by a trade association of more than 12 affiliates means it *is* a lobbyist.

11. The Washington office of a company with 10,000 employees located in 5 states writes its 500 top management officials and requests them to travel to Washington to talk to their congressmen and senators about a bill directly affecting the company. Because the company solicited more than 50 of its own employees, it *is* a lobbyist. The individual employees who travel to Washington to see their congressmen *are not* lobbyists.

12. A professional association concerned about the possibility that an executive branch agency may propose a certain regulation of great importance to its members urges the 5,000 individuals who are members of the organization to write the agency in opposition to the idea. Since the organization urged more than 500 persons to communicate with an executive branch agency about a matter before it, the organization *is* a lobbyist.